

# INITIAL CREDIT RATING REPORT CORONATION CORPORATION



Ref. no.: FR/2023/29971

## Report Contents:

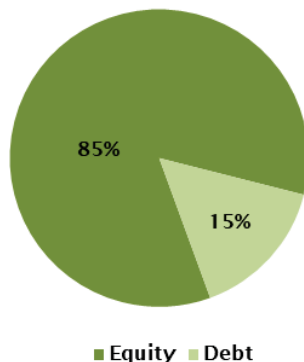
Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Business Analysis	3
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	5
Rating Observation	5

## Key Snapshot:

BDT. in million

Particulars	2021	2020
Revenue	68.08	95.39
EBIT	7.20	9.67
Net Profit	5.60	7.46
Total Assets	11.92	10.10
Total Equity	10.07	7.47
Total debt	1.85	2.63
Net Profit Margin (%)	8.2%	7.8%
CCC (Days)	0	0

Capital Structure  
(BDT. in million)



## Analysts:

**Moni Khondoker**  
moni@wasocreditrating.com

**Maharan Nasrin**  
maharan@wasocreditrating.com

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	12 March 2023	11 March 2024

WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

**Methodology:** SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

## RATING RATIONALE

WCRCL has assigned 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Coronation Corporation (hereinafter referred as "CC" or "The Enterprise") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Satisfactory banking relationship
- Good business network
- Good liquidity position with short cash conversion cycle
- Low levered capital structure

However, the above rating has been moderated to some extent due to some factors like:

- Average disclosure of financial statements
- Sales revenue was in fluctuating trend
- Rented business premises
- Low management information system (MIS)

The SME rating implies that the enterprise is adjudged to above average level of credit worthiness in relation to other small enterprises.

WCRCL also viewed the enterprise with "Stable" outlook and believes that CC will be able to maintain its good fundamentals in the foreseeable future.